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Message Text

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ACTION PM-05

INFO OCT-01 ARA-10 ISO-00 AID-05 DHA-02 NSC-05 SP-02
SS-15 CIAE-00 INR-07 NSAE-00 PRS-01 ACDA-07 MC-02
IGA-02 TRSE-00 COME-00 EB-07 L-03 H-01 OMB-01
/076 W
----------120146 192224Z /64
R 191351Z JUL 77
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 1402
INFO SECDEF WASH DC //OSD:ISA//
USCINCSO QUARRY HTS CZ

C O N F I D E N T I A L SECTION 1 OF 2 BUENOS AIRES 5311

E.O. 11652: GDS
TAGS: MASS, XX
SUBJECT: ASSESSMENT OF US SECURITY ASSISTANCE PROGRAMS FOR
FY 79

REF: (A) STATE 133136 (DTG 091616Z JUN 77)
(B) JOINT STRATEGIC OBJECTIVES PLAN (JSOP
FY 79-86) (NOTAL)
(C) DSAA LTR 1-21883/77 DTD 16 MAY 77 (NOTAL)

1. THE FOLLOWING RESPONSES ARE KEYED TO REF A.
THEY ARE PROVIDED IN SOMEWHAT ABBREVIATED FORM
SINCE CONGRESSIONAL ACTION ON THE FY 78 SECURITY
ASSISTANCE BILL SUGGESTS THAT ARGENTINA CAN BE
INCLUDED IN FY 79 FOR ONLY FMS CASH SALES AND
POSSIBLY LIMITED IMET.

2. US INTERESTS SERVED. (PARA 3 REFTEL) MAINTAINING
COMMUNICATION WITH ARGENTINE ARMED FORCES WHICH
CONTROL THE COUNTRY. PROVIDING FOLLOW-
ON-SPARES TO PERMIT THE OPERATION OF
AIRCRAFT AND SHIPS PREVIOUSLY PUCHASED
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BY THE GOA. ARGENTINA HAS THE CAPABILITY
AND WILL TO PATROL THE SEA LANES IN THE
SOUTH ATLANTIC. IT WILL SOON BE A
SIGNIFICANT SOURCE OF NUCLEAR POWER -
AHEAD OF BRAZIL AS A PROMINENT COUNTRY
IN LATIN AMERICA, ITS LEADERSHIP AND THE
POSITIONS IT ADVOCATES IN INTERNATIONAL

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FORA ARE SIGNIFICANT TO US INTERESTS.

CHARGE'S COMMENTS: OUR SPECIFIC OBJECTIVES ARE
TO MAINTAIN CONTACT WITH THE MILITARY, WHOM WE
WHICH TO INFLUENCE, WHILE IN THIS AND OTHER
RELATIONSHIPS MAINTAIN ENOUGH DISTANCE FROM THEM
SO THAT WE WILL NOT APPEAR TO BE SUPPORTING
A REPRESSIVE GOVERNMENT. IT IS IN OUR INTEREST
IN PROMOTING THE OBSERVANCE OF HUMAN RIGHTS THAT
THE ARGENTINE MILITARY DOES NOT FEEL ISOLATED AND
DEVELOP A SIEGE MENTALITY, AND THAT ARGENTINA
FEELS SUFFICIENTLY SECURE MILITARILY SO THAT IT
HAS NO NEED TO PROVE ITS MILITARY CAPABILITIES.

THE ARGENTINE MILITARY HAVE REJECTED FMS CREDITS
WHICH THEY SAW AS LINKED TO INTERVENTION IN
THEIR DOMESTIC AFFAIRS, BUT THEY DO NEED ACCESS
TO US SPARES (FMS CASH) TO KEEP THEIR ARMED
FORCES OPERATING. IF THESE ITEMS ARE DENIED,
THEY WILL BE FORCED TO REORIENT THEIR SUPPLY
SYSTEM TOWARDS EUROPEAN SUPPLIERS. TO A LIMITED
EXTENT THEY HAVE ALREADY DONE THIS, AND WILL
DO SO IN A MAJOR SENSE IF THE US EXECUTIVE OR
CONGRESS TAKE FURTHER MEASURES TO LIMIT
ARGENTINE ACCESS TO US SPARES AND CONVENTIONAL
WEAPONS. ARGENTINA CANNOT BE SERIOUSLY
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HURT BY US SANCTIONS IN THE WEAPONS FIELD.
THEIR ARMS EXPENDITURES HAVE BEEN RELATIVELY MODEST,
AND IF WE FORCE THEM TO SCRAP THEIR A-4 SQUADRONS
BY DENYING SPARES, THEY WILL DO SO, AND THEY
ARE IN POSITION TO BUY OTHER AIRCRAFT. SUCH AN
ACTION ON OUR PART WOULD GENERATE DEEP HOSTILITY
AMONG THE ARGENTINE MILITARY, AND WE WOULD BE
SEEN AS AN UNRELIABLE SUPPLIER OF CONVENTIONAL
WEAPONS SYSTEMS WHICH LATIN AMERICANS VIEW AS
THE MINIMUM ESSENTIAL TO PROTECT THEIR COUNTRIES.

I RECOMMEND THAT FOR FY 79 ARGENTINA BE AUTHORIZED
FMS CASH PURCHASES OF THIRTY MILLION DOLLARS.
FIRST PRIORITY FOR THESE PURCHASES SHOULD BE SPARES
AND SUPPORT EQUIPMENT FOR ITEMS PREVIOUSLY PROVIDED
UNDER THIS PROGRAM. NEXT WOULD BE THE UH-1
HELICOPTERS, P-3, A-4C AND S-2 AIRCRAFT, AND WHAT-
EVER SHIPS THEY MIGHT WISH TO PURCHASE WITHIN THE
FUNDING LIMIT. RATIONALE IS THAT AN EMBARGO ON
SUPPORT ITEMS FOR EQUIPMENT ALREADY PROVIDED
SMACKS OF ECONOMIC WARFARE. THE OTHER ITEMS
OR COMPARABLE ONES ARE FREELY AVAILABLE FROM OTHER

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SUPPLIERS AND PURCHASE WOULD DEPEND ON WHETHER OUR
PRICES WERE COMPETITIVE. IF THEY WERE AVAILABLE,
THE CHARGE OF AN EMBARGO WOULD NOT BE CREDIBLE.

FAR MORE IMPORTANT ON A DOLLAR-FOR DOLLAR
BASIS AS FAR AS INFLUENCE IS CONCERNED IS IMET.
THE ARGENTINES HAVE PURCHASED ALMOST TWICE AS
MUCH TRAINING IN RECENT YEARS AS THEY HAVE RECEIVED
FROM US ON A GRANT BASIS. THEY VALUE THE
TRAINING AND THE EXPOSURE TO THE U.S. OUR GREATEST
AVENUE OF INFLUENCE ON THE ARGENTINE MILITARY
IS THROUGH THOSE WHO HAVE BEEN THROUGH SOME US
TRAINING; THEY ARE ALMOST INVARIABLY POSITIVELY
DISPOSED TO LISTEN TO WHAT WE ARE TRYING TO GET
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ACROSS. IF IT WERE POLITICALLY FEASIBLE, I
WOULD RECOMMEND A SIGNIFICANT EXPANSION IN THE
FY 79 IMET PROGRAM FOR ARGENTINA TO THE LEVEL
OF TWO MILLION. END COMMENTS.

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C O N F I D E N T I A L SECTION 2 OF 2 BUENOS AIRES 5311

3. THREAT ANALYSIS: THE MAJOR UNITS OF THE ARMED
FORCES, AND THE MAJOR END ITEMS SUPPLIED BY THE
US ARE DESIGNED TO PRESENT A CREDIBLE MILITARY

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POWER IN RELATION TO THOSE OF NEIGHBORING COUNTRIES AND TO BE ABLE TO DEFEND THE COUNTRY'S FRONTIERS. BRAZIL IS SEEN AS A POTENTIALLY HOSTILE FACTOR WHICH MIGHT ATTEMPT TO TAKE SOME OF ARGENTINA'S NORTHERN TERRITORY. BORDER FRICTIONS WITH CHILE HAVE BEEN CONSTANT, MOST RECENTLY IN THE SEQUEL TO THE BEAGLE CHANNEL AWARD. IN THEIR CURRENT ROLE AS THE GOVERNMENT OF ARGENTINA, THE ARMED FORCES SEE THEIR PRIMARY THREAT AS EXTREMIST TERRORISM, WHICH THEY BELIEVE IS INTER-NATIONALLY SUPPORTED. THE CAMPAIGN OF ELIMINATING TERRORISM DOES NOT NOW INVOLVE THE MILITARY IN MILITARY OPERATIONS; THESE ACTIVITIES ARE ALMOST EXCLUSIVELY OF A POLICE AND INTELLIGENCE NATURE. MATERIAL AND TRAINING SUPPLIED BY THE US PLAY VIRTUALLY NO DIRECT ROLE IN THEIS ACTIVITY, CLAIMS TO THE CONTRARY NOTWITHSTANDING. THIS MATERIAL AND TRAINING IS RELEVANT ONLY TO THE DEGREE THAT IT ASSOCIATES THE US WITH THE CONFIDENTIAL

CURRENT MILITARY GOVERNMENT. SINCE WE ARE ATTEMPTING TO INCLUENCE THEM, SOME DEGREE OF ASSOCIATION IS INEVITABLE.

4. MILITARY ESTABLISHMENT. THE ARGENTINES WISH TO MAINTAIN A RELATIVELY MODEST MILITARY ESTABLISHMENT OF BALANCED FORCES WITH A LIMITED AMOUNT OF EXPENSIVE SOPHISTICATED WEAPONS. THEY ARE RAPIDLY BECOMING SELF SUFFICIENT IN THE POR-DUCTION OF SMALL ARMS, ARTILLERY, ARMORED PERSONNEL CARRIERS AND MEDIUM TANKS. THEY ARE ALSO PRODUCING CLOSE-SUPPORT AIRCRAFT AND ASSEMBLING LIGHT HELICOPTERS. THE ARGENTINES ARE FINANCIALLY CAPABLE OF SUPPORTING THE SIZE AND TYPE OF MILITARY ESTABLISHMENT WHICH THEY WISH TO MAINTAIN - U.S. FINANCIAL HELP IS NOT REQUIRED.

5. DEFENSE ARTICLES AND SERVICES. WE HAVE MODIFIED THE EQUIPMENT AND SERVICES LIST PROVIDED IN THE MILITARY ASSISTANCE SECURITY PROJECTION (MASP 79-83) TO REFLECT WHAT SEEMS REASONABLE IF ONLY FMS CASH ACQUISITIONS ARE POSSIBLE IN FY-79. WE ESTIMATE THAT TRAINING MIGHT BE PURCHASED UP TO ABOUT TWO MILLION.

PRIORITY	ITEM	QUANTITY
1	AIRCRAFT SUPPORT (FOR A-4 AND C-130)	

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2 UH-1H HELICOPTERS 15
3 P-3B AIRCRAFT 1
4 A-4C AIRCRAFT 15
5 S-2 AIRCRAFT 6
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6 DESTROYER (DD) 2
7 DESTROYER ESCORT (DE) 2
8 T-34 AIRCRAFT 2 (RECENT CONTRACT
SIGNED FOR ADDITIONAL
13)
9 TOW TARGETS 25
10 COMMAND & CONTROL EQT (AIRCRAFT & RADAR)

ALL MAJOR END ITEMS EXCEPT POSSIBLY THE HELICOPTERS WOULD BE USED. IF LESS EXPENSIVE ITEMS ARE AVAILABLE FROM OTHER SUPPLIERS THEY MIGHT BE SUBSTITUTED.

6. IMPACT ON ECONOMY. ARGENTINA'S DEFENSE EXPENDITURES HAVE NOT EXCEEDED 2.3 PERCENT OF GNP. FOREIGN EXCHANGE RESERVES ARE AT AN ALL-TIME HIGH. THE EXPENDITURES INVOLVED HERE WOULD BE INSIGNIFICANT IN TERMS OF RESOURCE DRAIN.

7. PERSONNEL REQUIRED. NONE

8. THIRD COUNTRY SUPPLIERS. COMPARABLE ARTICLES AND SERVICES ARE AVAILABLE. THE ARGENTINES HAVE PREFERRED US EQUIPMENT AND TRAINING, AND HAVE USED US MILITARY DOCTRINES.

9. ARMS CONTROL IMPACT. NONE. THE ABOVE OR SIMILAR ITEMS AND SERVICES WILL BE PURCHASED, IN THE US OR ELSEWHERE.

10. HUMAN RIGHTS REPORT. THIS HAS BEEN COVERED EXTENSIVELY IN SEPARATE REPORTING.

11. RESTRAINT ON ARMES TRANSFERS. ARGENTINA IS NEITHER A MAJOR PURCHASER OR SUPPLIER. UNLIKELY THAT THE GOA WOULD BE RESPONSIVE TO US REQUESTS TO
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LIMIT ITS FEW ARMS EXPORTS.

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12. ALL THREE ARGENTINE SERVICES HAVE SHIFTED THE EMPHASIS OF THEIR FOREIGN TRAINING TO PROFESSIONAL COURSES. ARGENTINES HAVE BEEN PAYING TRAVEL AND MAINTAINENCE ALLOWANCES FOR IMET TRAINEES. ARGENTINES ARE EXPECTED TO CONTINUE TO PURCHASE BOTH PROFESSIONAL AND LIMITED EQUIPMENT RELATED TRAINING FROM THE US IF POSSIBLE.
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Message Attributes

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